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July 25, 2018

Ms. Stacy Guidry
Section Chief, Health Plan Management
State of Louisiana, Department of Health
P. O. Box 91030
Baton Rouge, LA 70821-9030

Dear Stacy:

I am writing in response to your Notice of Monetary Penalty letter dated June 25, 2018 regarding the accuracy of Aetna Better Health of Louisiana's ("Aetna") provider directory data, wherein LDH states that a survey of Aetna's data found that it did not meet the minimum accuracy rate of at least 90%. By this letter, Aetna appeals the Notice of Monetary Penalty for the following reasons:

1. The methodology used by LDH in auditing Aetna's provider directory data is unreliable.

LDH conducted "secret shopper" surveys by contacting 100 Aetna providers to obtain information to verify the accuracy of Aetna's provider directory. Aetna asserts that the methodology utilized in the "secret shopper" surveys is unreliable in that it is based on a statistically invalid sample size. Aetna's provider network consists of over 13,000 providers in the state. LDH's survey of only 100 providers is less than 1% of Aetna's network and is not a sufficient sample size to produce reliable and meaningful results. Thus, Aetna should not be issued a monetary penalty when the data for which the penalty is based on is unreliable.

2. Information received by LDH in conducting the audit is incorrect and/or misrepresented, resulting in a lower accuracy rate.

In addition, that actual data obtained by LDH during the survey process is inaccurate and without any scientific basis. LDH states several items of inaccuracy, such as contract status and providers having limitations that are not published in the directory. In following up on these issues, Aetna found that much of the information provided to LDH by the provider or their representative may have been misinterpreted, misrepresented or incorrect, thereby leading to a lower accuracy rate. For example, some providers represented to LDH that they had a closed panel when, in fact, they are accepting new patients. In instances where the call to the provider was not answered, LDH noted that as incorrect for Aetna; although, the

information had not been verified. Each such instance of inaccuracy or misinformation, regardless of the reason, is another source of unreliable data upon which the monetary penalty is based.

3. Discretion on Monetary Penalties.

The state contract grants LDH discretion when imposing and/or waiving monetary penalties. When imposing a monetary penalty, the Section 20.3.1 of the state contract requires LDH to consider several factors, as follows:

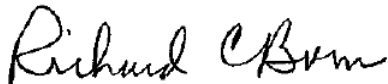
The decision to impose monetary penalties shall include consideration of the following factors:

- The duration of the violation;
- Whether the violation (or one that is substantially similar) has previously occurred;
- The MCO's history of compliance;
- The severity of the violation and whether it imposes an immediate threat to the health or safety of the Medicaid members; and,
- The "good faith" exercised by the MCO in attempting to stay in compliance.

Aetna understands the importance of updating and maintaining an accurate provider directory and will continue to make good faith efforts to stay in compliance. However, Aetna notes that there are additional systems issues at LDH (as set forth in the Reliability of Medicaid Provider Data audit issued June 20, 2018) that hinder provider directory data accuracy. Aetna understands those are being addressed; however, given that the fine is based on unreliable and inaccurate information from a statistically invalid sample size and the additional systems problems at LDH, Aetna respectfully requests that the monetary penalty be waived.

Aetna reserves the right to supplement this appeal. Should you have any questions, please do not hesitate to contact to me. I look forward to working with you to resolve this matter.

Sincerely,



Richard C. Born
Chief Executive Officer
Aetna Better Health of Louisiana